

Baseline operations are the day-to-day operations of existing, on-going programs such as the Health Care Agency's immunization program or the public libraries. The County provides these services on a regular basis. The Strategic Priorities, however, provide a new service or an upgraded level of service.

One of the functions of the Strategic Financial Plan is to identify new major initiatives (Strategic Priorities) that will impact the County over the next few years. These Strategic Priorities are presented to the Board of Supervisors and the Board is asked to adopt a funding plan to address some, or all, of the Strategic Priorities within the projected available funding of the Strategic Financial Plan 5-Year Forecast. This process allows the Board to responsibly map out a financial plan to anticipate and address future needs of the County within anticipated funding constraints.

Strategic Priorities may include new facilities, new programs, and major technological enhancements. Generally, Strategic Priorities have the following characteristics:

Strategic Priorities

Strategic Priorities must meet the **SCOPES** of County Standards.

In the past four versions of the Strategic Financial Plan, the focus has been on Strategic Priorities funded by General Purpose Revenues. New this year is the Capital Improvement Plan (CIP) which encompasses a five-year forecast of all CIP projects regardless of funding source. The Plan estimates all program funds available for capital improvements after operating costs are estimated. The minimum value for capital improvements is \$150,000. The list of projects include: various John Wayne Airport aviation projects, Santa Ana River and other flood-related projects, public library facilities, road improvements, and various Harbors, Beaches and Parks facilities and improvements. Please see the 2002 Strategic Financial Plan Report for a description of Non-General Purpose Revenue projects.

In October 2001, the Orange County Board of Supervisors reviewed the 2002 Strategic Financial Plan which had 34 Strategic Priorities. Eleven of those Priorities did not need additional funding while 23 Priorities were determined to need additional General Purpose Revenues. Given the restricted General Purpose Revenue forecast, Department Heads identified five critical priorities. The Board of Supervisors demonstrated its commitment to public safety by adopting a Strategic Financial Plan that addressed those five critical priorities. Following is a description of how those five critical priorities are addressed, in alphabetical order, in the Plan.

Strategic Priorities

Significant Cost - exceeds \$1 million

Community Awareness - on everybody's radar screen

Outcomes - produces measurable results

Personnel - requires additional staff or other staffing changes

Efficient - provides an efficient solution or alternative

Strategic - long lasting impact on the County

1. Public Safety: 800-Megahertz Additional Sites

For the past few years, the County has been implementing a new communications system that will link communications between the Sheriff's Department, city police departments, fire departments, and other emergency and public service agencies. A study is being conducted to determine if additional antennae sites are necessary to ensure proper operations of the system. It is anticipated that the County and Orange County cities will share the cost for any additional antennae sites. To ensure that public safety continues, the Plan includes an additional \$4 million of General Purpose Revenues for the County's share of costs that may be necessary.

2. Public Safety: Jail Fire Sprinkler System, Central Complex

The fire sprinkler system in the Central Jail Complex was installed as part of the original construction of the facility in 1967. The system is now obsolete because replacement parts are no longer available and the system does not meet current fire codes. Temporary repairs have extended the useful life of the system but it now must be replaced. The Plan includes \$2 million of General Purpose Revenues to replace the system.

3. Community Services: Proposition 36 Program Requirements

The Substance Abuse and Crime Prevention Act of 2000, also known as Proposition 36, was approved by California voters in November 2000. This new law allows individuals arrested for possession of controlled substances for personal use to enter substance abuse treatment programs instead of serving jail time. The intent is to focus on drug and alcohol rehabilitation instead of punishment and to help offenders become successful and productive members of society.

The legislation mandates State funding through Fiscal Year 2005-2006 of an average of about \$8 million per year. County departments are concerned that actual costs will exceed the amount of State revenue by an

average of \$6.6 million per year. The Plan includes ongoing funding for five attorney positions for the District Attorney and five attorney positions for the Public Defender. The County will continue efforts to seek additional State funding for Proposition 36 costs. Until then, departments will absorb the remaining costs within the funds allocated to them in their baseline 5-year forecast.

